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SUBJECT: DRC LAND TRANSPORTATION SURVEY

REF: A. KINSHASA 1547
 B. KINSHASA 1384

¶11. Summary. Infrastructural damage suffered over years of war and neglect have all but crippled the DRC's land transportation network. Roads and railways are critical to the country's recovery, but have received little attention from the GDRC. International financing for rehabilitation projects is helpful but shortsighted. Without revenue generating mechanisms in place to fund long-term upkeep, aid money is squandered on repairs that will quickly deteriorate.
End Summary.

Road Assessment

¶12. Responsibility for construction, management, and maintenance of the DRC's roads falls primarily with the Ministry of Transportation's Office des Routes (OR - Roads Administration). The country's road network is comprised of 152,230 km of roads of which 7,400 km are urban roads, 58,305 km are national roads, and 86,615 km are local roads. OR is also responsible for the maintenance of the country's 1,965 road bridges.

¶13. The DRC's most important road axes in terms of commerce and physical linkage between strategic locations are its four Routes Nationales (RN - National Routes). National Route No. 1 (RN1) is a heavily traveled commercial route stretching from the Atlantic coast of the DRC to the port of Matadi then to Kinshasa and onward to Katanga. National Route No. 2 (RN2) runs from Mbuji Mayi in Kasai Oriental province to Bukavu in South Kivu province and to Kasongo in Maniema province. National Route No. 3 (RN3) links Kisangani in Orientale province with Bukavu in South Kivu province. National Route No. 4 (RN4) runs from the frontier with the Central African Republic to Kisangani and Bunia in Orientale province and to Beni in North Kivu province.

¶14. The DRC's road network has deteriorated steadily over the past decade. According to Ministry of Transport and World Bank assessments, 75 percent of the country's roads are in poor condition, 15 percent are in fair condition, and only 10 percent are in good condition. Notable damage occurred during periods of conflict when roads and bridges were sabotaged by various combatant groups to prevent pursuit by, or resupply and reinforcement of, their opponents. However, the primary factor has been a severe lack of maintenance and repair. In addition to a general absence of upkeep, many roads were poorly or hastily constructed to begin with. Bad grading, thinly paved driving surfaces, and an absence of ballast materials have resulted in rapid deterioration.

¶15. GDRC funding for OR has dried up in recent years. Most of the taxes and "parafiscalities" that had traditionally financed OR operations were ended by the transitional government. (Note: One such tax, a fuel surcharge, was halted because former President Laurent Kabila had organized a well-masked diversion of revenues away from OR to finance his war efforts. Such politicized redirection of funds raises questions about the sustainability of maintenance operations. End Note.) A study conducted by the Ministry of Transportation estimates that complete rehabilitation of the DRC's main roads will cost USD 2.8 billion. (Comment: This estimate is likely inflated, and points to GDRC attempts to obtain as much international financial support as possible. However, the high figure does reflect the severity of the state of disrepair. End Comment.)

¶16. International donors have recognized the importance of a well-maintained road network to the DRC's economic and political recovery. The World Bank made road rehabilitation a priority of its Programme Multisectoriel d'Urgence de Rehabilitation et de Reconstruction (PMURR), and committed USD 400 million for repairs of RN1. RN1's state of disrepair had been estimated by the GDRC to add 40 percent to the price of goods on the Kinshasa market. Repairs to the route were completed in early 2004. (Note: Prices did decrease somewhat after RN1 was repaired, but not the 40 percent predicted by GDRC analysis. End Note.) Additionally, the World Bank and IMF recently committed USD 90 million for repairs of RN2 and RN4. Work on these projects is scheduled to begin in late ¶2004. (Comment: World Bank-funded repairs are contracted out to domestic and international firms of varying quality and expertise. Repairs to RN1 were conducted by Chinese, European, and local firms, and are substandard in places (see

ref A). The road was only thinly paved with asphalt, and lacks sufficient ballast to protect against erosion associated with the DRC's rainy season. Less than a year after the completion of repairs, the road surface is already beginning to deteriorate. End Comment.)

¶7. When questioned by Econoffs regarding availability of funding for upkeep of newly repaired roads, both OR representative Kalembe Kiala and Minister of Transport Joseph Olenghankoy admitted that few revenue generating mechanisms are currently in place, and that little funding is expected from the GDRC. Mr. Kiala suggested a renewal of various taxes and tolls, but questioned their political feasibility. Mr. Olenghankoy expressed his wish to see road construction and management privatized, but acknowledged that the system was not likely to attract a buyer.

¶8. Comment: International assistance to rehabilitate the DRC road network may be for naught. Without proper funding to maintain repaired roads, they will rapidly return to an impassable state. The World Bank and bilateral donors have pumped cash into the sector, but will see little benefit unless the GDRC takes the difficult but necessary steps to establish revenue generating mechanisms to fund proper upkeep. End Comment.

Rail Assessment

¶9. The DRC's 3,600 km of railways are managed by the parastatal Societe Nationale des Chemins de Fer du Congo (SNCC). An additional 360 km line linking Kinshasa with the Port of Matadi is managed by ONATRA (port authority). The DRC's rail network is aged, but generally in decent repair. However, a shortage of locomotives and rolling stock severely limits transportation capacity. SNCC owns nearly 90 locomotives of which only approximately 10 electric (catenary) and 20 diesel units (8 of which are rented from South African companies) are serviceable. These locomotives are scattered throughout SNCC's rail network, and only a portion are in commercial use. (Note: There is an additional railway, Chemins de Fer des Ueles, connecting Bumba to Mungbere with branches to Bondo and Andoma-Titule in Orientale province. However, the railway is in severe disrepair and is not slated to receive any international funding to assist with rehabilitation. End Note.)

¶10. SNCC currently operates three primary rail lines. The first links Sakania, Lubumbashi, Likasi, and Kamina in Katanga province; the second, Lubumbashi, Tenke, and Dilolo in Katanga province; and the third, Kamina, Kindu, Kabalo, and Kalemie in Maniema and Katanga provinces. (Note: There are no rail links between the DRC's eastern provinces and the interior or Kinshasa. End Note.)

¶11. Most of SNCC's troubles can be attributed to a lack of funding for maintenance and repairs. GDRC financing for rail transportation was curtailed over the last decade. Furthermore, SNCC was particularly hard hit by the collapse of Gecamines (mining parastatal), which had once provided 65 percent of SNCC's revenues. The remaining passenger, agricultural, and freight traffic have been insufficient to fund proper equipment upkeep. Continuing tensions in the eastern provinces have also kept some lines out of operation, and have deterred donors from funding necessary repairs.

¶12. Ministry of Transportation estimates put the cost of total rehabilitation of the DRC's railways at USD 1.1 billion. (Comment: As with the Ministry's road repair estimates, this figure is probably inflated, but reflects the gravity of the situation. End Comment.) SNCC is slated to receive USD 60 million as part of the World Bank's PMURR project. This will fund repairs to 50km of track and several bridges, the purchase of 75 new railcars, and the rehabilitation and purchase of spare parts for 10 locomotives. In addition, USAID recently funded USD 1.3 million worth of track and bridge repairs to reopen the Kabalo-Kindu line (see ref B). (Note: The USAID-funded project was significant in that it connected Kindu to Lubumbashi, bridging a major gap in SNCC's rail network. The Zofu bridge on Kabalo-Kindu line had been sabotaged during the war, and because SNCC has sent all of its locomotives south into Katanga to prevent looting, the bridge's destruction kept otherwise usable track out of service. End Note.)

¶13. ONATRA's Matadi-Kinshasa line is in a decent state of repair, but also suffers from a lack of locomotives and rolling stock. Because the line transports goods from the DRC's major international port, it enjoys a steadier revenue stream than most SNCC lines. However, ONATRA has been forced to cannibalize its equipment to maintain semi-regular operations.

¶14. Comment: Although the DRC's rail network is less maintenance-intensive than its roads, it still requires regular upkeep. More locomotives and railcars will have to

be purchased to increase SNCC and ONATRA capacity if they hope to become self-sustaining. This requires more capital than can currently be mustered by either enterprise. End Comment.

Final Comment

¶15. The World Bank and bilateral donors face difficult decisions regarding the efficacy and sustainability of their road and rail rehabilitation strategies. Deterioration of the DRC's transportation network has been slowed by external financial assistance, but this is a temporary solution at best. The GDRC must take action to revive old revenue streams or create new ones in order to fund upkeep. In addition, taxes and fees must contribute to the services for which they were intended. Diversion of the funds defeats their purpose. Selective privatization may be a workable long-term solution, but numerous political and economic hurdles must first be overcome (e.g. continuing insecurity, low formal sector activity, ineffective legal system, etc.). In the meantime, the DRC's road and rail infrastructure - the backbone of the country's economic recovery - will depend on the continued generosity of the donor community, where similar sustainability concerns have been raised. The Belgian Embassy and Belgian Cooperation (Belgian aid organization) have planned a roundtable for mid-October focusing on infrastructure-related programs and concerns. All GDRC and donor country officials involved in infrastructure planning and development have been invited.

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